Exposure Draft - New Vehicle Efficiency Standard Amendment (NVES Integration Date) Determination 2026

A Submission to the Australian Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts

20 June 2026

The Australian Department of
Infrastructure, Transport, and Regional Development
Communications, Sport and the Arts

The Australian Logistics Council (**ALC**) welcomes the opportunity to comment on the New Vehicle Efficiency Standard (NVES Integration Date) Determination 2026.

ALC is the peak national body representing Australia's end-to-end supply chains. Our membership spans major retailers, manufacturers, freight owners, road and freight rail operators, ports, intermodal terminals, infrastructure providers, warehouses and distribution businesses.

ALC does not oppose the proposed inclusion of passenger-substitute vehicles above 3.5 tonnes, although it notes that there is no indication in the consultation documentation as to:

- how many vehicles would be captured each year;
- which models and variants would be affected; what proportion is used for commercial work;
- how suppliers are expected to respond;
- whether equivalent vehicles are available at comparable cost and capability;
- the emissions reduction attributable to the amendment;
- annual sales volumes for the affected segment;
- baseline carbon dioxide emissions;
- the assumed response by vehicle suppliers;
- projected changes in the model mix;
- forecast fuel savings;
- forecast emissions reductions;
- the timing of those benefits; and
- the estimated cost per tonne of emissions avoided.

ALC recommends that future amendments to the NVES Standard should be supported by the data indicated above so that an informed decision can be made as to whether the benefits in the proposed change exceeds the costs to the community.

We also note the Department's fact sheet states that ADR 114/00 excludes work trucks and work vans.

Those categories are determined by the length of the cargo area or body behind the seats. A work van must have a goods area exceeding 50 per cent of total vehicle length. A work truck must have a body that exceeds 60 per cent of the total length for a single-row vehicle or 50 per cent for a two- or more-row vehicle. [1]

These definitions are clear in form, but their effect across the Australian commercial market has not been demonstrated.

A dimensional test may not capture every vehicle that performs a genuine work function.

For instance, a dual-cab vehicle may fail the work-truck test because of cabin length while still being selected primarily for towing, carrying equipment, accessing remote sites or transporting a work crew. The vehicle's function may also depend on equipment fitted after first supply.

The Government should test the definitions against representative commercial configurations and publish the results. This should include:

- **dual-cab commercial vehicles;**
- **cab-chassis vehicles;**
- **second-stage-manufactured vehicles;**
- **vehicles fitted with permanent service bodies;**
- **utility, emergency and infrastructure-support vehicles;**
- **regional and remote fleet configurations; and**
- **vehicles used for mixed crew and equipment transport.**

Where a vehicle has a demonstrable commercial function but falls outside the dimensional definition, there should be a binding classification or exemption process.

Industry should not have to rely on informal guidance after procurement decisions have been made.

Finally, ALC has previously noted that the benefits of improved vehicle technology accrue slowly where commercial fleets have long replacement cycles.

If suitable replacement vehicles are unavailable or materially more expensive, operators may retain existing vehicles for longer.

That would delay fleet renewal and may reduce the intended environmental benefit as some operators could:

- use a heavier vehicle than the task would otherwise require;
- use more vehicles or completing additional trips;
- reduce payload per trip;
- restructure work around less efficient vehicle combinations; or
- pass higher costs through to customers.

[1] Fact sheet—Proposed changes to exemptions from the New Vehicle Efficiency Standard (NVES) www.infrastructure.gov.au/sites/default/files/documents/fact-sheet-proposed-changes-to-exemptions-from-the-new-vehicle-efficiency-standard-nves-may-2026.pdf

For future amendments to the NVES Standard, the Government should assess emissions and productivity at the level of the freight or service task, not only the regulated vehicle.

For freight operations, the appropriate question is whether the policy reduces emissions per unit of work completed without increasing cost, vehicle kilometres or operational risk.

About the Australian Logistics Council

The Australian Logistics Council (ALC) is the independent, trusted voice of modern supply chains for Australia.

The ALC works closely with government and industry to shape Australia's future supply chain.

ALC members operate across the end-to-end supply chain, including freight rail, road transport, ports, airports, stevedoring, intermodal terminals, warehousing, logistics, property and technology. We focus on delivering excellent services and support to our members and, with them, driving enhanced end-to-end supply chain productivity, efficiency and sustainability for the nation.

We connect industry with governments, policy makers and regulators at all levels to ensure the needs of the sector are heard and considered in investment, policy and regulatory decisions.

For further discussion on this ALC Submission, please contact the Head of Government and Industry Affairs, samantha.leighton@austlogistics.com.au